

NAME OF FACILITY BEING STUDIED: Knoxville

Alternate # 1					Short description: Preferred Scenario 120 NHCU at Des Moines and contract.			
Workload or Space Category	2001 ADC for IP	Baseline workload from Millman for beds & stops	2012 Projected Wkld (beds, stops)	2022 Projected Wkld (beds, stops)	% to be transferred	Year to begin transfer	Receiving Facility Name	Receiving Facility % contracted out
Inpatient Medicine	11	13	9	7				
Inpatient Surgery	2	2	5	0				
Inpatient Psych	11	17	16	12				
Inpatient Dom	33	35	35	35				
Inpatient NHCU	180	511	511	511	24	2007	Des Moines	76
Inpatient PR RTP		0	0	0				
Inpatient SCI		0	0	0				
Inpatient BRC		0	0	0				
Outpatient Primary Care		10929	19884	15708				
Outpatient Specialty Care		18562	19329	15991				
Outpatient Mental Health		58040	58169	57977				
Ancillary & Diagnostics		24373	27600	22901				
Research SPACE	N/A		N/A	N/A				
Admin SPACE	N/A		N/A	N/A				
Other SPACE	N/A		N/A	N/A				
120/511=24% inhouse								
Alternate # 2					Short description: 160 NHCU at Des Moines and contract			
Workload or Space Category	Baseline Wkld	Baseline workload from Millman for beds & stops	2012 projected Wkld	2022 Projected Wkld	% to be transferred	Year to begin transfer	Receiving Facility Name	Receiving Facility % contracted out
Inpatient Medicine	11	13	9	7				
Inpatient Surgery	2	2	5	0				
Inpatient Psych	11	17	16	12				
Inpatient Dom	33	35	35	35				
Inpatient NHCU	180	511	511	511	31	2007	Des Moines	69
Inpatient PR RTP		0	0	0				
Inpatient SCI		0	0	0				
Inpatient BRC		0	0	0				
Outpatient Primary Care		10929	19884	15708				
Outpatient Specialty Care		18562	19329	15991				
Outpatient Mental Health		58040	58169	57977				
Ancillary & Diagnostics		24373	27600	22901				
Research SPACE	N/A		N/A	N/A				
Admin SPACE	N/A		N/A	N/A				
Other SPACE	N/A		N/A	N/A				
160/511=31% inhouse								

NAME OF FACILITY BEING STUDIED: Knoxville

Alternate # 1	Receiving Facility: Des Moines (120 NHCU beds)				
Vacant Space in 2022 =	29,541	EU out space in 2022 = 0		Outleased space in 2022 = 894	
Workload or Space Category	Additional SF Needed	New Construction SF	Conversion of Vacant SF	Lease SF	Contract remaining workload to match space added? Y/N
Inpatient Medicine					
Inpatient Surgery					
Inpatient Psych					
Inpatient Dom					
Inpatient NHCU	113910	*50000			Y
Inpatient PR RTP					
Inpatient SCI					
Inpatient BRC					
Outpatient Primary Care					
Outpatient Specialty Care					
Outpatient Mental Health					
Ancillary & Diagnostics					
Research SPACE					
Admin SPACE					
Other SPACE					

* 50,000 facility estimate

Alternate # 2	Receiving Facility: Des Moines (160 NHCU beds)				
Vacant Space in 2022 =		EU out space in 2022 =		Outleased space in 2022 =	
Workload or Space Category	Additional SF Needed	New Construction SF	Conversion of Vacant SF	Lease SF	Contract remaining workload to match space added? Y/N
Inpatient Medicine					
Inpatient Surgery					
Inpatient Psych					
Inpatient Dom					
Inpatient NHCU	166199	66500*			Y
Inpatient PR RTP					
Inpatient SCI					
Inpatient BRC					
Outpatient Primary Care					
Outpatient Specialty Care					
Outpatient Mental Health					
Ancillary & Diagnostics					
Research SPACE					
Admin SPACE					
Other SPACE					

* 66,500 facility estimate

Step 3, Vacant Space

Alternate # 1 Build 120 Beds at Des Moines	Name of Facility Being Studied: Knoxville					
	Vacant SF at highest wkld peak	SF to be Demolished	SF to be for Enhanced Use	SF to be divested	SF to be outleased	Remaining Vacant
Existing MP 2022	87,059	442,318	0	0	261	87,059
Newly vacated	*304755	493,508			261	55,635

* NHCU is flatlined so there is no peak workload. Total Demolition has not occurred.

Alternate # 2 Build 160 Beds at Des Moines	Name of Facility Being Studied: Knoxville					
	Vacant SF at highest wkld peak	SF to be Demolished	SF to be for Enhanced Use	SF to be divested	SF to be outleased	Remaining Vacant
Existing MP 2022	87,059	442,318	0	0	261	87,059
Newly vacated	*304755	493,508			261	55,635

* NHCU is flatlined so there is no peak workload. Total Demolition has not occurred.

Step 4, Access

Alternate # 1 Knoxville (120 NHCU beds at Des Moines)								
CARES Category (Dom, Specialty Care or NHCU)	County Name	FY 2012 Workload (BDOC)	Travel time from County to Knoxville Minutes	Workload to be transferred to Des Moines BDOC	Travel Time from County to Des Moines Minutes	Workload to be transferred to Facility C	Travel Time from County to Facility C	New weighted Travel Time (calculated)
NHCU	MAHASKA	1,755	36	421	90			
NHCU	MARION	4,668	0	1120	81			
NHCU	WAPELLO	2,913	72	699	92			
NHCU	POLK	21,623	81	5190	0			
Type	Current Access %	New Access %						
Primary Care	46%	46%						
Acute Care	42%	42%						

Alternate # 2 Knoxville (160 NHCU beds at Des Moines)								
CARES Category (Dom, Specialty Care or NHCU)	County Name	FY 2012 Workload (BDOC)	Travel time from County to Knoxville Minutes	Workload to be transferred to Des Moines BDOC	Travel Time from County to Des Moines Minutes	Workload to be transferred to Facility C	Travel Time from County to Facility C	New weighted Travel Time (calculated)
NHCU	MAHASKA	1,755	36	544	90			
NHCU	MARION	4,668	0	1447	81			
NHCU	WAPELLO	2,913	72	903	92			
NHCU	POLK	21,623	81	6703	0			

Type	Current Access %	New Access %
Primary Care	46%	46%
Acute Care	42%	42%

Alternate # 3 Knoxville (Contract All Care)								
CARES Category (Dom, Specialty Care or NHCU)	County Name	FY 2012 Workload (BDOC)	Travel time from County to Facility being studied	Workload to be transferred to Facility A Contract	Travel Time from County to Facility A	Workload to be transferred to Facility C	Travel Time from County to Facility C	New weighted Travel Time (calculated)
NHCU	MAHASKA	1,755	36	1,755	0			
NHCU	MARION	4,668	0	4,668	0			
NHCU	WAPELLO	2,913	72	2,913	0			
NHCU	POLK	21,623	81	21,623	0			

Type	Current Access %	New Access %
Primary Care	46%	46%
Acute Care	42%	42%

Step 4, Infrastructure

2001 Baseline Data		Knoxville, IA						
Facility Name	Campus Acreage	Original Bed Capacity (Beds)	Number of Vacant Bldgs	Number of Occupied Bldgs	Vacant Space 2001 (SF)	Average Condition Score	Annual Capital Costs *	Valuation of Campus (AEW)
Knoxville	162	320	2	41	176,581	3.7	\$5,136,639	144,000,000
Des Moines	47	85	0	19	17,881		\$3,403,553	74,000,000
Knoxville NHCU	N/A	226	N/A	2	23,449	3.49		
Des Moines NHCU		0	0	N/A	N/A	N/A		0

Need valuation of NHCU

Step 5, Status Quo

Status Quo

Facility Being Reviewed: Knoxville

	2004	2005	2006	2007	2008	2009	2010	2011	2012
Recurring Costs									
	2004	2005	2006	2007	2008	2009	2010	2011	2012
Inpatient Op Cost	45,120,661	45,044,310	44,957,235	44,863,902	44,765,641	44,650,102	44,518,804	44,374,607	44,176,488
Outpatient Op Cost	8,380,232	8,422,406	8,445,549	8,453,798	8,449,460	8,424,535	8,387,132	8,330,493	8,237,277
Non Clinical Categories	2,848,724	2,846,014	2,843,306	2,840,601	2,837,898	2,835,198	2,832,500	2,829,805	2,827,113
Vacant Space Op Cost	1,993,470	1,991,573	1,989,678	1,987,785	1,985,894	1,984,004	1,982,117	1,980,231	1,978,346

Non-Recurring Costs

Estimated Capital Costs	5,136,639	5,048,666	4,962,200	4,877,214	4,793,684	4,711,585	4,630,892	4,551,581	4,473,628
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Receiving Facility 1: Des Moines

Recurring Costs									
	2004	2005	2006	2007	2008	2009	2010	2011	2012
Inpatient Op Cost	21,212,997	21,072,469	20,891,644	20,699,870	20,509,222	20,263,194	19,993,014	19,682,561	19,262,417
Outpatient Op Cost	32,673,093	34,813,009	35,134,285	35,353,067	35,463,079	35,423,923	35,287,804	35,017,833	34,520,007
Non Clinical Categories	1,417,554	1,416,205	1,414,858	1,413,512	1,412,167	1,410,823	1,409,481	1,408,139	1,406,800
Vacant Space Op Cost	192,266	192,083	191,900	191,718	191,535	191,353	191,171	190,989	190,808

Non-Recurring Costs

Estimated Capital Costs	3,403,553	3,345,262	3,287,969	3,231,657	3,176,310	3,121,911	3,068,444	3,015,892	2,964,240
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Step 5, Status Quo

Status Quo
Facility Being Reviewed:

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Recurring Costs										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Inpatient Op Cost	43,974,644	43,790,466	43,620,598	43,479,179	43,364,839	43,247,920	43,136,393	43,022,040	42,914,018	42,808,171
Outpatient Op Cost	8,138,804	8,047,290	7,961,485	7,888,907	7,831,314	7,769,770	7,708,419	7,645,364	7,584,291	7,519,693
Non Clinical Categories	2,824,422	2,821,735	2,819,050	2,816,368	2,813,688	2,811,011	2,808,337	2,805,664	2,802,995	2,800,328
Vacant Space Op Cost	1,976,464	1,974,584	1,972,705	1,970,828	1,968,953	1,967,079	1,965,208	1,963,338	1,961,470	1,959,603
Non-Recurring Costs										
Estimated Capital Costs	4,397,010	4,321,705	4,247,689	4,174,940	4,103,438	4,033,160	3,964,086	3,896,195	3,829,467	3,763,881

Receiving Facility 1: Des Moines

Recurring Costs										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Inpatient Op Cost	18,843,494	18,448,612	18,107,351	17,810,282	17,581,610	17,344,770	17,122,708	16,895,520	16,679,156	16,470,995
Outpatient Op Cost	33,987,755	33,474,554	32,986,940	32,578,174	32,231,844	31,854,234	31,467,299	31,065,176	30,659,758	30,246,146
Non Clinical Categories	1,405,461	1,404,124	1,402,788	1,401,453	1,400,120	1,398,787	1,397,457	1,396,127	1,394,799	1,393,471
Vacant Space Op Cost	190,626	190,445	190,263	190,082	189,902	189,721	189,540	189,360	189,180	189,000
Non-Recurring Costs										
Estimated Capital Costs	2,913,473	2,863,575	2,814,532	2,766,329	2,718,951	2,672,385	2,626,616	2,581,631	2,537,417	2,493,960

Step 5, Market Plan costs

Market Plan

Facility Being Reviewed: Knoxville

Knoxville	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Recurring Costs										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Inpatient Op Cost	39,694,360	39,641,990	39,587,658	39,527,726	37,257,644	37,222,195	37,186,779	37,151,396	37,116,047	37,080,732
Outpatient Op Cost	9,836,018	9,876,808	9,896,150	8,446,780	8,439,169	8,423,064	8,305,306	8,260,203	8,196,840	8,037,059
Non Clinical Op Cost	2,848,724	2,846,014	2,843,306	2,840,601	2,837,898	2,835,198	2,832,500	2,829,805	2,827,113	2,824,422
Vacant Space Op Cost	1,275,277	1,234,478	1,212,193	1,850,582	1,818,840	1,787,713	1,078,407	1,060,028	1,387,319	1,363,740
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0

Recurring Savings

Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0
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Non Recurring Costs

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
New Construction	0	0	0	0	0	0	0	0	0	0
Renovate	0	171,089	168,159	551,023	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0	0	0	0
Vacant Space Demolition	0	0	0	0	0	0	1,454,861	0	756,251	0

Non Recurring Revenue

Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0
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Step 5, Market Plan costs

Receiving Facility 1: Des Moines

Des Moines

Recurring Costs										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Inpatient Op Cost	27,413,787	27,134,008	26,756,350	24,675,062	24,538,385	24,234,055	23,896,800	23,509,379	22,732,353	22,203,052
Outpatient Op Cost	33,368,579	33,440,050	33,234,514	33,115,153	33,211,532	33,183,530	33,071,824	32,849,479	32,424,118	31,972,132
Non Clinical Op Cost	1,417,554	1,416,205	1,414,858	1,413,512	1,412,167	1,410,823	1,409,481	1,408,139	1,406,800	1,405,461
Vacant Space Op Cost	134,312	137,970	138,993	125,616	123,464	121,350	119,271	117,229	115,221	113,499
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0

Recurring Savings										
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0

Non Recurring Costs										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
New Construction	0	4,717,567	6,394,657	9,268,818	0	0	0	0	0	0
Renovate	0	1,356,576	2,014,526	1,980,024	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0	0	0	0
Vacant Space Demolition	0	0	0	0	0	0	0	0	0	0

Non Recurring Revenue										
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0

Step 5, Market Plan costs

Market Plan

Facility Being Reviewed:k

Knoxville 2014 2015 2016 2017 2018 2019 2020 2021 2022

Recurring Costs									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Inpatient Op Cost	37,045,452	37,010,203	36,974,990	36,939,809	36,904,661	36,869,548	36,834,467	36,799,421	36,529,095
Outpatient Op Cost	7,974,999	7,917,059	7,814,467	7,769,844	7,679,185	7,588,777	7,540,231	7,492,760	6,842,469
Non Clinical Op Cost	2,821,735	2,819,050	2,816,368	2,813,688	2,811,011	2,808,337	2,805,664	2,802,995	2,800,328
Vacant Space Op Cost	1,340,545	1,317,750	1,295,291	1,273,199	1,251,489	1,230,134	1,209,163	1,100,618	407,966
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Recurring Savings									
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Non Recurring Costs									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
New Construction	0	0	0	0	0	0	0	0	0
Renovate	0	0	0	0	0	0	0	471,459	463,384
Leases	0	0	0	0	0	0	0	0	0
Vacant Space Demolition	0	0	0	0	0	0	0	0	1,212,085

Non Recurring Revenue									
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Step 5, Market Plan costs

Receiving Facility 1: De

Des Moines

Recurring Costs									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Inpatient Op Cost	21,708,998	20,330,618	19,957,791	19,669,745	19,377,405	19,101,429	18,818,013	18,550,693	18,293,583
Outpatient Op Cost	31,536,544	31,123,301	30,785,528	30,497,050	30,186,715	29,866,529	29,537,141	29,205,511	29,962,403
Non Clinical Op Cost	1,404,124	1,402,788	1,401,453	1,400,120	1,398,787	1,397,457	1,396,127	1,394,799	1,393,471
Vacant Space Op Cost	121,542	119,413	121,749	122,949	124,605	126,582	130,322	134,531	138,432
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Recurring Savings									
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Non Recurring Costs									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
New Construction	0	0	0	0	0	0	0	0	0
Renovate	0	0	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0	0	0
Vacant Space Demolition	0	0	0	0	0	0	0	0	0

Non Recurring Revenue									
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Step 5, 100% contract

100% contract

Facility Being Reviewed: Knoxville

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Recurring Costs										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Inpatient Op Cost	39,694,360	39,641,990	24,482,800	24,437,241	22,181,516	22,160,411	22,139,327	22,118,261	22,097,216	22,076,191
Outpatient Op Cost	9,836,018	9,876,808	9,896,150	8,446,780	8,439,169	8,423,065	8,305,306	8,260,202	8,196,840	8,037,059
Non Clinical Op Cost	2,848,724	2,846,014	2,843,306	2,840,601	2,837,898	2,835,198	2,832,500	2,829,805	2,827,113	2,824,422
Vacant Space Op Cost	1,275,277	1,234,478	1,750,155	1,850,582	1,818,840	1,787,713	1,134,713	1,115,370	1,497,410	1,471,946
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0

Recurring Savings

Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0
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Non Recurring Costs

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
New Construction	0	0	0	0	0	0	0	0	0	0
Renovate	0	171,089	168,159	551,023	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0	0	0	0
Vacant Space Demolition	0	0	0	0	0	0	1,454,861	0	756,251	0

Non Recurring Revenue

Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0
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Step 5, 100% contract

Des Moines

Recurring Costs										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Inpatient Op Cost	27,413,787	27,134,008	26,756,350	24,675,062	24,554,149	24,249,804	23,912,534	23,525,099	22,748,057	22,218,741
Outpatient Op Cost	33,368,579	33,440,050	33,234,514	33,115,153	33,211,531	33,183,531	33,071,825	32,849,479	32,424,117	31,972,132
Non Clinical Op Cost	1,417,554	1,416,205	1,414,858	1,413,512	1,412,167	1,410,823	1,409,481	1,408,139	1,406,800	1,405,461
Vacant Space Op Cost	101,191	105,417	106,997	94,168	92,555	90,970	89,412	87,880	86,375	85,148
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0

Recurring Savings										
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0

Non Recurring Costs										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
New Construction	0	4,717,567	6,394,657	1,059,425	0	0	0	0	0	0
Renovate	0	1,356,576	2,014,526	1,980,024	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0	0	0	0
Vacant Space Demolition	0	0	0	0	0	0	0	0	0	0

Non Recurring Revenue										
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0

Step 5, 100% contract

100% contract

Facility Being Reviewed:Knox

Knoxville	2014	2015	2016	2017	2018	2019	2020	2021	2022
Recurring Costs									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Inpatient Op Cost	22,055,187	22,034,201	22,013,237	21,992,291	21,971,366	21,950,461	21,929,576	21,908,711	21,887,865
Outpatient Op Cost	7,975,000	7,917,060	7,814,467	7,769,844	7,679,186	7,588,777	7,540,230	7,492,760	6,801,607
Non Clinical Op Cost	2,821,735	2,819,050	2,816,368	2,813,688	2,811,011	2,808,337	2,805,664	2,802,995	2,800,328
Vacant Space Op Cost	1,446,898	1,422,281	1,398,032	1,374,180	1,350,741	1,327,686	1,305,044	1,194,857	260,710
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Recurring Savings									
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Non Recurring Costs									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
New Construction	0	0	0	0	0	0	0	0	0
Renovate	0	0	0	0	0	0	0	471,459	463,384
Leases	0	0	0	0	0	0	0	0	0
Vacant Space Demolition	0	0	0	0	0	0	0	0	1,562,847

Non Recurring Revenue									
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Step 5, 100% contract

Des Moines

Recurring Costs									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Inpatient Op Cost	21,724,673	20,346,277	19,973,436	19,685,375	19,393,020	19,117,029	18,833,598	18,566,263	18,309,139
Outpatient Op Cost	31,536,544	31,123,301	30,785,528	30,497,050	30,186,714	29,866,529	29,537,141	29,205,511	29,962,402
Non Clinical Op Cost	1,404,124	1,402,788	1,401,453	1,400,120	1,398,787	1,397,457	1,396,127	1,394,799	1,393,471
Vacant Space Op Cost	93,676	92,024	94,830	96,491	98,599	101,022	105,200	109,839	114,162
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Recurring Savings									
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Non Recurring Costs									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
New Construction	0	0	0	0	0	0	0	0	0
Renovate	0	0	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0	0	0
Vacant Space Demolition	0	0	0	0	0	0	0	0	0

Non Recurring Revenue									
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Step 5, Alt 1 costs

Alternative #1

Facility Being Reviewed: Knoxville

Knoxville	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Recurring Costs										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Inpatient Op Cost	39,694,360	39,641,990	39,587,658	4,257,832	2,021,308	2,019,385	2,017,464	2,015,544	2,013,626	2,011,710
Outpatient Op Cost	9,836,018	9,876,808	9,896,150	8,446,780	8,439,169	8,423,065	8,305,306	8,260,202	8,196,840	8,037,059
Non Clinical Op Cost	2,848,724	2,846,014	2,843,306	2,840,601	2,837,898	2,835,198	2,832,500	2,829,805	2,827,113	2,824,422
Vacant Space Op Cost	1,275,277	1,234,478	1,212,193	1,850,582	1,818,840	1,787,713	1,134,713	1,115,370	1,497,410	1,471,946
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0

Recurring Savings

Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0
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Non Recurring Costs

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
New Construction	0	0	0	0	0	0	0	0	0	0
Renovate	0	171,089	168,159	551,023	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0	0	0	0
Vacant Space Demolition	0	0	0	0	0	0	1,454,861	0	756,251	0

Non Recurring Revenue

Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0
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Step 5, Alt 1 costs

Receiving Facility 1: Des Moines

Des Moines

Recurring Costs										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Inpatient Op Cost	27,200,557	26,920,981	26,543,525	67,565,205	65,677,456	65,333,983	64,957,622	64,531,134	63,715,075	63,146,781
Outpatient Op Cost	33,368,579	33,440,050	33,234,514	33,115,153	33,211,531	33,183,531	33,071,825	32,849,479	32,424,117	31,972,132
Non Clinical Op Cost	1,417,554	1,416,205	1,414,858	1,413,512	1,412,167	1,410,823	1,409,481	1,408,139	1,406,800	1,405,461
Vacant Space Op Cost	101,185	105,411	106,991	94,162	92,549	90,964	89,406	87,875	86,370	85,142
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0

12826823

Recurring Savings										
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0
New DSS Savings					12826823	12390711	11969427	11562466.72	11169343	10789585

Non Recurring Costs										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
New Construction	0	4,717,567	6,394,657	9,268,818	0	0	0	0	0	0
Renovate	0	1,356,576	2,014,526	1,980,024	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0	0	0	0
Vacant Space Demolition	0	0	0	0	0	0	0	0	0	0

Non Recurring Revenue										
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0

Alternative #1

Facility Being Reviewed:Kn

Knoxville	2014	2015	2016	2017	2018	2019	2020	2021	2022
Recurring Costs									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Inpatient Op Cost	2,009,797	2,007,884	2,005,974	2,004,065	2,002,158	2,000,253	1,998,350	1,996,449	1,994,549
Outpatient Op Cost	7,975,000	7,917,060	7,814,467	7,769,844	7,679,186	7,588,777	7,540,230	7,492,760	6,801,607
Non Clinical Op Cost	2,821,735	2,819,050	2,816,368	2,813,688	2,811,011	2,808,337	2,805,664	2,802,995	2,800,328
Vacant Space Op Cost	1,446,898	1,422,281	1,398,032	1,374,180	1,350,741	1,327,686	1,305,044	1,194,857	260,710
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Recurring Savings									
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Non Recurring Costs									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
New Construction	0	0	0	0	0	0	0	0	0
Renovate	0	0	0	0	0	0	0	471,459	463,384
Leases	0	0	0	0	0	0	0	0	0
Vacant Space Demolition	0	0	0	0	0	0	0	0	1,562,847

Non Recurring Revenue									
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Step 5, Alt 1 costs

Receiving Facility 1: Des

Des Moines

Recurring Costs									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Inpatient Op Cost	62,613,771	61,196,469	60,784,760	60,457,869	60,126,719	59,811,970	59,489,820	59,183,803	58,888,031
Outpatient Op Cost	31,536,544	31,123,301	30,785,528	30,497,050	30,186,714	29,866,529	29,537,141	29,205,511	29,962,402
Non Clinical Op Cost	1,404,124	1,402,788	1,401,453	1,400,120	1,398,787	1,397,457	1,396,127	1,394,799	1,393,471
Vacant Space Op Cost	93,671	92,019	94,825	96,486	98,594	101,017	105,195	109,834	114,158
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Recurring Savings									
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0
New DSS Savings	10422739	10068366	9726041.7	9395356.3	9075914.2	8767333.1	8469243.8	8181289.5	7903125.6
Non Recurring Costs									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
New Construction	0	0	0	0	0	0	0	0	0
Renovate	0	0	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0	0	0
Vacant Space Demolition	0	0	0	0	0	0	0	0	0

Non Recurring Revenue									
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Alternative #2

Facility Being Reviewed: Knoxville

Knoxville 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013

Recurring Costs

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Inpatient Op Cost	39,694,360	39,641,990	39,587,658	4,257,832	2,021,308	2,019,385	2,017,464	2,015,544	2,013,626	2,011,710
Outpatient Op Cost	9,836,018	9,876,808	9,896,150	8,446,780	8,439,169	8,423,065	8,305,306	8,260,202	8,196,840	8,037,059
Non Clinical Op Cost	2,848,724	2,846,014	2,843,306	2,840,601	2,837,898	2,835,198	2,832,500	2,829,805	2,827,113	2,824,422
Vacant Space Op Cost	1,275,277	1,234,478	1,212,193	1,850,582	1,818,840	1,787,713	1,134,713	1,115,370	1,497,410	1,471,946
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0

Recurring Savings

Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0
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Non Recurring Costs

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
New Construction	0	0	0	0	0	0	0	0	0	0
Renovate	0	171,089	168,159	551,023	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0	0	0	0
Vacant Space Demolition	0	0	0	0	0	0	1,454,861	0	756,251	0

Non Recurring Revenue

Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0
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Step 5, Alt 2 costs

Receiving Facility 1: Des Moines

Des Moines

Recurring Costs										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Inpatient Op Cost	27,413,787	27,134,008	26,756,350	72,719,505	72,552,882	72,202,867	71,819,970	71,386,954	70,564,371	69,989,560
Outpatient Op Cost	33,368,579	33,440,050	33,234,514	33,115,153	33,211,531	33,183,531	33,071,825	32,849,479	32,424,117	31,972,132
Non Clinical Op Cost	1,417,554	1,416,205	1,414,858	1,413,512	1,412,167	1,410,823	1,409,481	1,408,139	1,406,800	1,405,461
Vacant Space Op Cost	101,185	105,411	106,991	94,162	92,549	90,964	89,406	87,875	86,370	85,142
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0

Recurring Savings										
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0

Non Recurring Costs										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
New Construction	0	4,717,567	17,002,258	1,059,425	0	0	0	0	0	0
Renovate	0	1,356,576	2,014,526	1,980,024	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0	0	0	0
Vacant Space Demolition	0	0	0	0	0	0	0	0	0	0

Non Recurring Revenue										
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0	0

Alternative #2

Facility Being Reviewed:Knox

Knoxville	2014	2015	2016	2017	2018	2019	2020	2021	2022
Recurring Costs									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Inpatient Op Cost	2,009,797	2,007,884	2,005,974	2,004,065	2,002,158	2,000,253	1,998,350	1,996,449	1,994,549
Outpatient Op Cost	7,975,000	7,917,060	7,814,467	7,769,844	7,679,186	7,588,777	7,540,230	7,492,760	6,801,607
Non Clinical Op Cost	2,821,735	2,819,050	2,816,368	2,813,688	2,811,011	2,808,337	2,805,664	2,802,995	2,800,328
Vacant Space Op Cost	1,446,898	1,422,281	1,398,032	1,374,180	1,350,741	1,327,686	1,305,044	1,194,857	260,710
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Recurring Savings									
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Non Recurring Costs									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
New Construction	0	0	0	0	0	0	0	0	0
Renovate	0	0	0	0	0	0	0	471,459	463,384
Leases	0	0	0	0	0	0	0	0	0
Vacant Space Demolition	0	0	0	0	0	0	0	0	1,562,847

Non Recurring Revenue									
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Step 5, Alt 2 costs

Receiving Facility 1: Des Moines

Des Moines

Recurring Costs									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Inpatient Op Cost	69,450,038	68,026,233	67,608,026	67,274,641	66,937,006	66,615,778	66,287,154	65,974,669	65,672,436
Outpatient Op Cost	31,536,544	31,123,301	30,785,528	30,497,050	30,186,714	29,866,529	29,537,141	29,205,511	29,962,402
Non Clinical Op Cost	1,404,124	1,402,788	1,401,453	1,400,120	1,398,787	1,397,457	1,396,127	1,394,799	1,393,471
Vacant Space Op Cost	93,671	92,019	94,825	96,486	98,594	101,017	105,195	109,834	114,158
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Recurring Savings									
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Non Recurring Costs									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
New Construction	0	0	0	0	0	0	0	0	0
Renovate	0	0	0	0	0	0	0	0	0
Leases	0	0	0	0	0	0	0	0	0
Vacant Space Demolition	0	0	0	0	0	0	0	0	0

Non Recurring Revenue									
Savings/Cost/Profit	0	0	0	0	0	0	0	0	0

Step 6, Capital Cost Summary

SUMMARY

Capital Cost Summary

Status Quo (Plus capital)	Original Market Plan	100% Contract	Alt 1	Alt 2
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Facility Being Reviewed: Knoxville					
New Construction	\$ -	\$ -	\$ -	\$ -	\$ -
Renovate	\$ -	\$ 1,825,114	\$ 1,825,114	\$ 1,825,114	\$ 1,825,114
Leases	\$ -	\$ -	\$ -	\$ -	\$ -
Vacant Space Demolition	\$ -	\$ 3,423,197	\$ 3,773,959	\$ 3,773,959	\$ 3,773,959
Capital Cost for Status Quo	\$ 83,917,660	\$ -	\$ -	\$ -	\$ -
Total	\$ 83,917,660	\$ 5,248,311	\$ 5,599,073	\$ 5,599,073	\$ 5,599,073
Receiving Facility 1: Des Moines					
New Construction	\$ -	\$ 20,381,042	\$ 12,171,649	\$ 20,381,042	\$ 22,779,250
Renovate	\$ -	\$ 5,351,126	\$ 5,351,126	\$ 5,351,126	\$ 5,351,126
Leases	\$ -	\$ -	\$ -	\$ -	\$ -
Vacant Space Demolition	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Cost for Status Quo	\$ 55,604,107	\$ -	\$ -	\$ -	\$ -
Total	\$ 55,604,107	\$ 25,732,168	\$ 17,522,775	\$ 25,732,168	\$ 28,130,376
Grand TOTAL	\$ 139,521,767	\$ 30,980,479	\$ 23,121,848	\$ 31,331,241	\$ 33,729,449

Step 6, Operating Cost Summar

SUMMARY

Operating Cost Summary		Status Quo (Plus capital)	Original Market Plan	100% Contract	Alt 1	Alt 2
Knoxville						
	Operating Costs	\$1,080,674,324	\$947,870,850	\$694,750,206	\$388,740,392	\$388,740,392
Des Moines						
	Operating Costs	\$1,023,455,934	\$1,054,564,315	\$1,054,258,114	\$1,709,267,142	\$1,817,507,846
Operating Cost TOTAL		\$2,104,130,258	\$2,002,435,165	\$1,749,008,320	\$2,098,007,534	\$2,206,248,238
Capital Cost		\$139,521,767	\$30,980,479	\$23,121,848	\$31,331,241	\$33,729,449
Grand Total with Capital Cost		\$2,243,652,025	\$2,033,415,644	\$1,772,130,168	\$2,129,338,775	\$2,239,977,687

Note Original Market plan has an error in workload transfer in NHCU from Knoxville to Des Moines

The original market plan includes operating cost for a 120 bed NHCU at Knoxville plus contracting for the balance of projected nursing home workload.

Contract 100% scenario has the contracting in Knoxville

Step 6, Life Cycle Costs

IBM Run 10/30

20-Nov

SUMMARY

Life Cycle Costs					
	Status Quo	Original Market Plan	100% Contract	Alternate 1	Alternate 2
Knoxville					
Recurring	1,080,674,324	947,870,850	694,750,206	388,740,392	388,740,392
Non Recurring	83,917,660	5,248,311	5,599,073	5,599,073	5,599,073
Total	1,164,591,984	953,119,161	700,349,279	394,339,465	394,339,465
Des Moines					
Recurring	1,023,455,934	1,054,564,315	1,054,258,114	1,556,549,375	1,817,507,846
Non Recurring	55,604,107	25,732,168	17,522,775	25,732,168	28,130,376
Total	1,079,060,041	1,080,296,483	1,071,780,889	1,582,281,543	1,845,638,222
Grand Total	\$2,243,652,025	\$2,033,415,644	\$1,772,130,168	\$1,976,621,008	\$2,239,977,687

October 25th Run (Submission)					
Life Cycle Costs					
	Status Quo	Original Market Plan	100% Contract	Alternate 1	Alternate 2
Facility Being Reviewed: Knoxville					
Recurring	\$ 1,080,674,329	\$ 875,442,198	\$ 619,303,157	\$ 314,214,867	\$ 314,214,867
Non Recurring	\$ 83,917,660	\$ 5,248,311	\$ 5,599,073	\$ 5,599,073	\$ 5,599,073
Total	\$1,164,591,989	\$880,690,509	\$624,902,230	\$319,813,940	\$319,813,940
Receiving Facility 1: Des Moines					
Recurring	\$ 1,023,455,933	\$ 1,049,388,249	\$ 1,050,008,943	\$ 1,705,018,149	\$ 1,813,258,853
Non Recurring	\$ 55,604,107	\$ 25,732,168	\$ 17,522,775	\$ 25,732,168	\$ 28,130,376
Total	1,079,060,040	1,075,120,417	1,067,531,718	1,730,750,317	1,841,389,229
Grand Total	\$2,243,652,029	\$1,955,810,926	\$1,692,433,948	\$2,050,564,257	\$2,161,203,169

Step 6, Net Present Value

SUMMARY

IBM Results 10/30

NPV					
	Status Quo	Original Market Plan	100% Contract	Alternate 1	Alternate 2
Facility Being Reviewed: Knoxville					
Recurring	-	132,803,474	385,924,118	691,933,932	691,933,932
Non Recurring	-	78,669,349	78,318,587	78,318,587	78,318,587
Total	-	211,472,823	464,242,705	770,252,519	770,252,519
Receiving Facility 1: Des Moines					
Recurring	-	-31,108,381	-30,802,180	-533,093,441	-794,051,912
Non Recurring	-	29,871,939	38,081,332	29,871,939	27,473,731
Total	-	-1,236,442	7,279,152	-503,221,502	-766,578,181

Grand Total

210,236,381	471,521,857	267,031,017	3,674,338
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October 25th Submission

NPV					
	Status Quo	Original Market Plan	100% Contract	Alternate 1	Alternate 2
Facility Being Reviewed: Knoxville					
Recurring	-	\$ 209,740,153	\$ 461,371,172	\$ 766,459,462	\$ 766,459,462
Non Recurring	-	\$ 78,669,349	\$ 78,318,587	\$ 78,318,587	\$ 78,318,587
Total	-	288,409,502	539,689,759	844,778,049	844,778,049
Receiving Facility 1: Des Moines					
Recurring	-	\$ -25,323,918	\$ -26,553,010	\$ -681,562,216	\$ -789,802,920
Non Recurring	-	\$ 29,871,939	\$ 38,081,332	\$ 29,871,939	\$ 27,473,731
Total	-	4,548,021	11,528,322	-651690277	-762,329,189

Grand Total

292,957,523	551,218,081	193,087,772	82,448,860
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Knoxville, IA

<p>NURSING HOME ONLY SCENARIOS: Preferred alternative description and rationale:</p>	<p>The preferred alternative is Alternative #1, construct a new 120 bed nursing home care unit at Des Moines, shift nursing home care workload from Knoxville to Des Moines, contract remaining workload in the community and divest or demolish the existing nursing home building at Knoxville. Alternative #1 is the same proposal as the original market plan; however, an error occurred in entering transferred workload to Des Moines in the IBM model for the original market plan. The error was corrected in Alternative #1 and the transferred workload was entered in the IBM model. Rationale for selecting Alternative #1: Alternative #1 has lower capital costs, operating costs, and life cycle costs than other two viable choices-- the Status Quo or Alternative #2 (construct 160 beds). Contracting 100% of the workload is not a viable alternative due to the uncertainty surrounding the availability of sufficient numbers of community nursing home beds meeting VA standards of care and willing to accept VA patients. In addition, the community may not offer services for special emphasis groups such as the seriously mental ill or patients with significant rehabilitation needs--services VA provide</p>				
	<p>Status Quo</p>	<p>Original Market Plan (120 beds)</p>	<p>100% Contract</p>	<p>Alternate # 1 (120 beds)</p>	<p>Alternate # 2 (160 beds)</p>
<p>Short Description:</p>	<p>NHCU will continue to operate at Knoxville. Major renovations to the 60 year old building housing the NHCU are necessary to meet JCAHO standards. (The construction estimates are not in Status Quo.)</p>	<p>Construct 120-bed NHCU at Des Moines, shift workload from Knoxville to Des Moines and contract workload balance at CNH. IBM error did not shift wkld to Des Moines.</p>	<p>Contract 100% of nursing home care workload at community nursing homes.</p>	<p>Construct 120-bed NHCU at Des Moines, shift workload from Knoxville to Des Moines and contract workload balance at CNH.</p>	<p>Construct 160-bed NHCU at Des Moines, shift workload from Knoxville to Des Moines and contract workload balance at CNH.</p>
<p>Total Construction Costs</p>	<p>\$139,521,767</p>	<p>\$30,980,479</p>	<p>\$23,121,848</p>	<p>\$31,331,241</p>	<p>\$33,729,449</p>
<p>Life Cycle Costs</p>	<p>\$2,243,652,025</p>	<p>\$2,033,415,644</p>	<p>\$1,772,130,168</p>	<p>\$2,129,338,775</p>	<p>\$2,239,977,687</p>
<p>Impact on Access</p>	<p>Access to NH care will remain the same as currently offered.</p>	<p>Travel time access to VA NH care will improve as Des Moines is a large population center as compared to Knoxville.</p>	<p>Travel times for veterans and families would depend upon the availability of open NH beds in their communities.</p>	<p>Travel time access to VA NH care will improve because Des Moines is a large population center as compared to Knoxville (45 miles between sites)</p>	<p>Travel time access to VA NH care will improve because Des Moines is a large population center as compared to Knoxville. (45 miles between sites)</p>
<p>Impact on Quality</p>	<p>Quality of care would be maintained through significant renovation costs to correct deficiencies in an aging infrastructure.</p>	<p>A newly constructed NHCU would offer a contemporary building designed to provide nursing home care meeting community and VA standards.</p>	<p>Contracting for community nursing home care would depend upon the availability of accredited facilities and their willingness to accept VA referrals.</p>	<p>A newly constructed NHCU would offer a contemporary building designed to provide nursing home care meeting community and VA standards.</p>	<p>A newly constructed NHCU would offer a contemporary building designed to provide nursing home care meeting community and VA standards.</p>
<p>Impact on Staffing & Community</p>	<p>Efficiencies of a consolidated staff at one location wouldn't be realized. Staff would continue to travel between campuses.</p>	<p>The majority of direct care staff would shift to the Des Moines campus as Knoxville is within VA standard commuting distance (45 miles). Non-direct care staff would be reduced through attrition.</p>	<p>Contracting for community nursing home care would negatively impact VA staffing as workload is shifted to community providers. Jobs would be lost.</p>	<p>The majority of direct care staff would shift to the Des Moines campus as Knoxville is within standard commuting distance (45 miles). Non-direct care staff would be reduced through attrition.</p>	<p>The majority of direct care staff would shift to the Des Moines campus as Knoxville is within standard commuting distance (45 miles). Non-direct care staff would be reduced through attrition.</p>
<p>Impact on Research and Education</p>	<p>Education rotations would continue with some attendance problems due to travel conflicts from Des Moines area schools. There are no research programs at the Knoxville division.</p>	<p>Academic affiliations would be positively impacted by the realignment to Des Moines due to improved access to patients. Research would continue at Des Moines.</p>	<p>The geriatric rotation for family practice residents may be reduced.</p>	<p>Academic affiliations would be positively impacted by the realignment to Des Moines due to improved access to patients. Research would continue at Des Moines.</p>	<p>Academic affiliations would be positively impacted by the realignment to Des Moines due to improved access to patients. Research would continue at Des Moines.</p>
<p>Optimizing Use of Resources</p>	<p>Maintaining and renovating an aging, inefficient 60 year old infrastructure would require major construction funding.</p>	<p>Major construction funding would be required to build a new facility; however, it would be designed for nursing home care, maintenance would be less an staff efficiencies realized.</p>	<p>Contracting for community nursing home care would reduce capital costs of new construction or renovating existing aging structures. The NPV is more positive than other options. Life cycle costs and operating costs are less than other options.</p>	<p>Major construction funding would be required to build a new facility designed for nursing home care. Maintenance costs would be less. Life cycle costs, operating costs and construction costs of 120 bed facility are less than 160 bed facility. The NPV is more positive for 120 bed than 160 bed facility.</p>	<p>Major construction funding would be required to build new facility; however, it would be designed for nursing home care and maintenance would be less.</p>
<p>Support other Missions of VA</p>	<p>Maintaining status quo supports the other VA missions.</p>	<p>New construction supports the other VA missions.</p>	<p>Contracting for community nursing home care does not impact the other VA missions.</p>	<p>New construction supports the other VA missions.</p>	<p>New construction supports the other VA missions.</p>
<p>Other significant considerations</p>	<p>Note that capital costs are not included for remodeling and upgrading the NHCU at Knoxville.</p>				